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October 1, 2021

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk/Executive Director Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Underground Conduit Standards Change Docket Nos. 2016-227-E and 2016-345-E

Dear Ms. Boyd:

On September 10, 2020, Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (together, the "Companies") filed a letter in the above-referenced dockets notifying the Public Service Commission of South Carolina (the "Commission") of a planned change to the Companies' conduit standards. Although the Companies initially intended to implement the change to their conduit standards on November 1, 2020, delays occurred, and the Companies now intend to implement the change on January 1, 2022. This change requires no Commission action and is authorized under the Companies' existing Line Extension Plans, which are on file with the Commission. The Companies provided this information to the Office of Regulatory Staff in advance of this filing.

In order to facilitate installation of the underground electric system, including cable, pad mounted transformers, switchgear, and pedestals, it may be necessary for builders and developers to install conduits at the direction of the Companies. The requirement for using conduit has been left up to the designer and construction in most cases. Through cable installation audits and discussions with designers, the Companies have discovered inconsistencies in the use of conduit and the need to better define the requirements for when to use conduit across the Carolinas.

The standard installation method for underground facilities will continue to be direct bury (standard trenching equipment, minimal hand digging), with surface (pad) mounted equipment (transformers, pedestals, switch gear). Effective January 1, 2022, the standards change will require

¹ DEC's Distribution Line Extension Plan was approved by Order No. 2016-727 in Docket No. 2016-345-E. DEP's Line Extension Plan E-66 was approved by Order No. 2016-871 in Docket No. 2016-227-E. The Companies' Line Extension Plans are on file in the Commission's E-Tariff System.

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conduit to be used in all areas of adverse condition above or below ground, such as rocky soil, construction debris, uneven terrain, creek crossings, etc. The standards change will also require the use of conduit in areas where the Companies are not able to use standard methods and equipment to install, repair, or replace the underground cable. Conduit will start and end at junction points, such as pad mounted equipment (transformer, pedestal, switch gear), at the base of a pole, or at the base of a meter/meter structure. Any exceptions to the starting and ending point for the conduit will be provided by the Companies' designer.

Effective January 1, 2022, Duke Energy will no longer supply the conduit for road crossings or other areas where conduit was previously supplied as a courtesy. If the customer's schedule allows, and site ready requirements are met, the Companies will install all facilities, including conduit for road crossings. If the customer's schedule will not allow the Companies time to install all facilities, the customer will be required to install the conduit as specified. If the customer proceeds with paving roads and does not provide conduit, or the conduit does not meet the Companies' specifications, the additional cost to correct or abnormal construction costs will be charged as a contribution in aid of construction. The Companies will notify customers via email beginning on October 1, 2021. Distribution employees will also notify their customers during conversations about new projects. This change will not apply to any projects where the builder or developer has already worked with the Companies' designer on the development, and the design was approved.

These changes will standardize the Companies' conduit requirements across the Carolinas and provide more clarity and consistency across jurisdictions for the customers we serve.

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Sincerely,

Katie M. Brown

cc: Andrew Bateman, Office of Regulatory Staff
Michael Seaman-Huynh, Office of Regulatory Staff